



STATE OF DELAWARE

PUBLIC SERVICE COMMISSION
861 SILVER LAKE BLVD.
CANNON BUILDING, SUITE 100
DOVER, DELAWARE 19904

TELEPHONE:
FAX:

(302) 736-7500
(302) 739-4849

January 6, 2014

MEMORANDUM

TO: The Chair and Members of the Commission

FROM: Toni Loper, Public Utility Analyst

SUBJECT: IN THE MATTER OF THE APPLICATION OF ENERGY AUCTION HOUSE, INC. FOR A CERTIFICATE TO PROVIDE ELECTRIC SUPPLY SERVICES WITHIN THE STATE OF DELAWARE (SUBMITTED APRIL 28, 2014; FILED DECEMBER 5, 2014) - PSC DOCKET No. 14-151

Background

On April 28, 2014, Energy Auction House, Inc. ("Energy Auction House" or the "Company") filed an application (the "Application") with the Delaware Public Service Commission ("Commission") for an Electric Supplier Certificate ("ESC") to act as a Broker in the State of Delaware pursuant to §1012 of the Electric Utility Restructuring Act of 1999, 26 *Del. C.* §1001 - §1020 (the "Act") and 26 *Del. Admin. C.* §3001, the Commission's Rules for Certification and Regulation of Electric Suppliers (the "Supplier Rules").¹

Application

The Company's original filing was submitted on April 28, 2014 but the submitted application did not meet the minimum filing requirements (MFRs). Staff requested the Company file additional documentation where it was requested that the company provide the following information: a) a list of states in which Applicant or any of its affiliated interest is currently authorized/actively engaged in the sale of electricity, b) a list of states in which the applicant has been denied approval by a State Commission to sell electricity to Retail Electric Customers or has had its authority revoked, c) a copy of the Letter of Good Standing from each state currently operating in, and d) a signed, sworn verification letter as required. The requested information and verification form was received from the company on December 5, 2014, the receipt of this documentation completed the applications MFR's.

Review and Analysis

Authority to do Business in Delaware

The Company is Incorporated and formed under the laws of Nevada and has provided proof issued by the Delaware Secretary of State that it is legally authorized and qualified to do business in the State of Delaware.

¹ Unless otherwise noted, all references to capitalized terms are set forth in the Act and/or the Supplier Rules.

Resident Agent

The Company supplied the contact information for a Delaware Registered Agent listed in the application as Legal Inc. Corporate Services Inc., Dover, DE.

Compliance with Regional Requirements

The Company affirms in its Application that it will only present electricity supply contracts to its customers from Marketers/Electric Suppliers who are in compliance with all applicable PJM requirements.

Financial, Operational, Managerial and Technical Ability

The Company provided the financial statements for Energy Auction House, Inc. as indicia of financial capability under Section 2.1.1.5.1 of the Supplier Rules. Staff believes that the financial statements show substantial evidence of the Applicant's ability to provide services as a Broker in the State of Delaware.

The Company anticipates acting as a Broker serving Commercial and Industrial customers for the sale or purchase of electricity throughout the State of Delaware. The Company's application states that it is presently licensed to sell electricity in California, Connecticut, Illinois, Maine, Maryland, Massachusetts, Michigan, New Hampshire, New Jersey, New York, Ohio, Texas, Pennsylvania and Rhode Island. Staff has confirmed that the Company is licensed in those states by conducting an internet search of the Secretary of State Websites for the states listed. The application states that the Company has not been denied approval nor had its authority revoked by any state commission. Staff believes that this information shows substantial evidence of the Applicant's operational ability to provide services as a Broker in the State of Delaware.

The Application included a summary of the key operating personnel of the Company. Ms. Lauren Langbert, President, has 6 years' experience in the deregulated energy industry. She was employed by Glacial Energy for 4 years where she held positions as Business Development Manager where she was tasked with sales in deregulated markets. She served as Regional Director for a year where she was tasked with the hiring and training of 25 business development managers, and assisted with the implementation and development of strategies to fit geographic and prospective customer needs. Ms. Langbert was also a Senior Vice President where she directed operations and sales activities for the Texas market, managed and monitored the budget and developed strategic plans by segmenting, allocation and deploying resources, establishing targets and quotas, and forecast expenses. Ms. Langbert was also Divisional Vice President with Negawatt Business Solutions Staff where she was responsible for the hiring and training of Executive Account Managers, development and implementation of solutions sales plans and marketing strategies to grow the company, an coordinated with sales support teams to establish companywide business processes to achieve best practices. Staff believes that the Company has demonstrated substantial evidence that its staff has the operational, managerial, and technical abilities to perform as a Broker in the State of Delaware. Staff performed an internet review of the key operating personnel and found no outstanding issues.

Surety Bond

The Company did not post a surety bond because it is a Broker only and there are no service agreements between the Company and any Delaware Electric Distribution Company. The Company will not collect any fees or deposits from any of its customers for any of its brokerage services.

Verification of Application

The Application and all subsequent filings were verified by Ms. Langbert.

Consent to Jurisdiction

The Company consents to the jurisdiction of the Delaware courts.

Contracts

The Company also did not provide any sample contracts for Commercial or Industrial Customers because it is a Broker only and does not and will not have contracts with Retail Electric Customers to provide Electric Supply Service.

Statement of Criminal Activity

The Applicant stated that they have not been charged or convicted of any criminal activity nor have any of its principals or corporation offices. An internet review of the Company and its principals revealed no issues.

Legal Review

During the review and analysis process and each phase of the request for additional documentation for this application Staff communicated with the assigned Attorney to ensure that all required documentation requested and received from the Company was in compliance of Delaware law and the Supplier rules and regulations. Staff submitted this Memo for review by the Attorney on December 22, 2014.

Staff Recommendation

Based on Staff's review and analysis of the Application, the Company has satisfied the requirements of the Act and the Supplier Rules. The Company resolved all outstanding issues with Staff and the completed application supports the Company's request for certification. Staff's review and analysis of the Application submitted by the company demonstrates substantial evidence of capability to render service based on the Company's financial, operational, managerial and technical abilities. Therefore, Staff recommends the Commission approve the Application.